

ADMINISTRATIVE

Approved For Release 2006/03/10 : CIA-RDP80B01495R000700110013-2

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DDI-3100-74

18 October 1974

MEMORANDUM FOR: Associate Deputy Director [redacted]
for Intelligence

25X1

SUBJECT : OSR Research Relationship with Rand
[redacted]

25X1

1. We have reviewed a Rand proposal for [redacted]
[redacted] to work with the Agency on a study of
China's military decisions over the past twenty
years. I fully support this proposal and re-
quest your approval of my draft reply to Rand.

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2. In July, George Tanham, the Chief of the
local Rand office, formally proposed that the
Agency and Rand do a joint project on China. (A
copy of his letter is at Tab A). As proposed,
[redacted]

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[redacted] would work
inside CIA with Agency analysts to implement a basic
review of past Chinese military programs, assessing
their policies in terms of other political and
economic events in China and the Far East. [redacted]
work with Rand on this project would be funded by
ARPA and the completed product would be made avail-
able through appropriate channels to both ARPA and
Rand for use as basic material for a number of follow-
on studies. There appears to be no suggestion of a
contractual relationship with the Agency other than
the commitment to publish the study at the Secret level
and permit Rand to control the secret version. One
advantage of this would be to broaden access to the
study in the think-tank/university environment.

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3. OSR analysts have discussed this proposal
with [redacted] and consider the offer for joint
endeavor to be sincere and useful. (A memo for
Record is at Tab B). [redacted] participation would
add experience and sound judgment to an in-house
project which is already underway under the chairman-
ship of [redacted], with the participation of

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analysts from the SEC, OPR, OCI and OER. [] is prepared to join this team immediately but would not be available full-time until about January 1975.

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4. Because [] recent retirement from the Agency--February 1974--and his later work with the NIO Staff as a contract annuitant, we thought it prudent that the General Counsel be asked about the propriety of his proposed relationship with the Agency. In the opinion of [] of the Office of General Counsel there is no apparent conflict of interest involved in a relationship between [] and the Agency on a study of this type provided that there is no direct contractual relationship funded by the Agency. (The opinion of [] is provided in two memos at Tab C.)

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5. In view of the above, I recommend that we accept the Rand proposal and take the necessary steps to bring [] into the project as soon as possible. We think he will be of considerable help on this project and that, when completed, the study will be a firm basis for further studies of Chinese decision-making.

6. My draft acceptance of the Rand proposal is at Tab D. Both [] agree in principle with this type of response to the Rand proposal.

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[]

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E. H. KNOCHE
Director
Strategic Research

CONCUR:

[]
Director of Political Research

18 Oct. 1974
Date

[]
Office of General Counsel
(as to the statement of paragraph 4 concerning possible conflict of interest)

October 22, 1974
Date

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[Redacted]

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CONCUR:

[Redacted]

23 Oct 71

Deputy Director for Intelligence

Date

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